Ministry of Labour Relations and Workplace Safety

Annual Report for 2015-16

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Government of Saskatchewan

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Letters of Transmittal

The Honourable Don Morgan
Minister of Labour Relations and Workplace Safety

Her Honour, the Honourable Vaughn Solomon Schofield,

Lieutenant Governor of Saskatchewan

May it Please Your Honour:

I respectfully submit the Annual Report of the Ministry of Labour Relations and Workplace Safety for the fiscal year ending March 31, 2016.

The Ministry of Labour Relations and Workplace Safety works with and on behalf of workers and employers in Saskatchewan to keep our workplaces fair, safe and healthy so that everyone can participate in our workforce.

The Ministry of Labour Relations and Workplace Safety is committed to increased accountability, honouring government commitments and responsibly managing expenditures.

D R morgan

Don Morgan, Q.C.

Minister of Labour Relations and Workplace Safety

Michael J.R. Carr
Deputy Minister of Labour Relations and Workplace Safety

The Honourable Don Morgan,

Minister of Labour Relations and Workplace Safety

May it Please Your Honour:

I have the honour of submitting the Annual Report of the Ministry of Labour Relations and Workplace Safety for the fiscal year ending March 31, 2016.

I am proud of the work done by everyone at the Ministry of Labour Relations and Workplace Safety. Our team takes great pride in providing exceptional service to Saskatchewan employers and employees as we work to protect workplace rights and keep workers safe and healthy.

The information contained in this report is accurate, complete and reliable. It provides a full picture of the Ministry of Labour Relations and Workplace Safety's activities and financial administration.

Michael J.R. Carr

Deputy Minister of Labour Relations and Workplace Safety

Introduction

This annual report for the Ministry of Labour Relations and Workplace Safety presents the Ministry's results on activities and outcomes for the fiscal year ending March 31, 2016. It reports to the public and elected officials on public commitments made and other key accomplishments of the Ministry.

Results are provided on publicly committed strategies, actions and performance measures identified in the 2015-16 Plan. The report also demonstrates progress made on Government commitments in the *Government Direction for 2015-16: Steady Growth, the Saskatchewan Plan for Growth – Vision 2020 and Beyond*, throne speeches and other commitments and activities of the Ministry.

The annual report demonstrates the Ministry's commitment to effective public performance reporting, transparency and accountability to the public.

Alignment with Government's Direction

The Ministry's activities in 2015-16 align with Government's vision and four goals:

Saskatchewan's Vision

"... to be the best place in Canada – to live, to work, to start a business, to get an education, to raise a family and to build a life."

- **Sustaining growth and opportunities for Saskatchewan people**
- **Meeting the challenges of growth**
- **Securing a better quality of life for all Saskatchewan people**
- **Delivering responsive and responsible government**

Together, all ministries and agencies support the achievement of Government's four goals and work towards a secure and prosperous Saskatchewan.

Ministry Overview

Over the past year, the Ministry of Labour Relations and Workplace Safety (LRWS) has worked to develop strategies, involved stakeholders and delivered services that ensure a safe, fair, balanced and productive labour environment throughout the province.

The Ministry achieves its desired outcomes by encouraging, promoting and enforcing safe work practices and employment standards and by fostering an environment that respects the rights, duties and responsibilities of employees and employers.

Delivery of Key Programs and Services

The Ministry is responsible for enforcing and promoting awareness of employment standards and occupational health and safety. The Ministry also provides mediation and conciliation services to help resolve workplace disputes as well as advocacy services for injured workers and their families.

In 2015-16, the Ministry employed staff in its central office in Regina, Employment Standards offices (Estevan, Moose Jaw, North Battleford, Prince Albert, Swift Current, Yorkton, Saskatoon and Regina) and Occupational Health and Safety offices (Estevan, Prince Albert, Swift Current, Yorkton, Saskatoon and Regina) across the province.

The 2015-16 budget and FTE allocation for the Ministry was $18,475,000 and 152.1, respectively. Actual FTE utilization was 157.2.

The Ministry consists of five Divisions:

Central Services (CS) assists the Divisions within the Ministry in developing strategic policy and legislative initiatives that coincide with government objectives. CS is also responsible for financial management, budget development, annual planning and reporting as well as other essential administrative functions of the Ministry.

Labour Relations and Mediation (LRM) provides information, training and bargaining assistance through conciliation and mediation services to labour and management in unionized workplaces. LRM assists unions and management in resolving difficult labour disputes and work stoppages due to strikes or lockouts.

Employment Standards (ES) provides services to Saskatchewan employers and employees in support of fair and equitable workplace practices. ES enforces employment standards legislation and regulations and ensures employees and employers are aware of their rights and responsibilities under these laws.

Office of the Workers' Advocate (OWA) Ensures that injured workers or dependants of an injured worker receive every consideration and entitlement due to them under *The Workers' Compensation Act, 2013*. The Office also works to ensure that the compensation system is fair, accountable and responsive to the needs of injured workers in Saskatchewan and meets regularly with the WCB towards this common goal

Occupational Health and Safety (OHS) offers programs and services for workers and employers to help ensure safer workplaces and an improved culture of safety in Saskatchewan. OHS also provides effective oversight and enforcement of occupational health and safety standards and regulations by encouraging compliance via education and prosecutions where appropriate.

Progress in 2015-16

Government Goals - Improving Education Outcomes

Sustaining growth and opportunities for Saskatchewan people
Meeting the challenges of growth
Securing a better quality of life for all Saskatchewan people
Delivering responsive and responsible government

Strategic priority from the *Saskatchewan Plan for Growth*: encourage healthy, safe and fair workplaces.

Ministry Goal

Reduce provincial injury rate by 50 per cent by 2020.

Strategy

Full implementation of new targeted intervention model to reduce workplace injuries.

Continue the *WorkSafe Saskatchewan* partnership to ensure a focus on injury rate reduction.

Key Actions and Results

Target priority employers who have the highest injury rates.

- The Targeted Intervention Strategy identifies and targets employers with the highest injury rates regardless of industry or size. Occupational Health Officers contact employers on the targeted list and support them through the development of an improvement plan. After plans are implemented, the officers work with priority employers to ensure compliance. Should an employer fail to follow their plan, Occupational Health and Safety (OHS) will use the legislated tools available, including prosecution, to ensure compliance with occupational health and safety requirements.
- In 2015-16, OHS worked with 89 priority employers in the targeted program to reduce their injury rates. Of these, 67 have transitioned out of phase one of the program into phase two, where they work with the Workers' Compensation Board (WCB) to develop a safety culture.

Increase education and enforcement of standards.

- Over 6,000 people took the *WorkSafe Saskatchewan* Workplace Responsibility System Training in one of 209 sessions.
- OHS coordinated with the Saskatchewan Construction Safety Association and WorkSafe Saskatchewan to raise awareness of health and safety during a residential construction field campaign.

Occupational Health and Safety statistics for 2015-16:

- Injury rate declined from 8.65 in 2013 to 6.3 per cent in in 2015
- 2,491 worksite inspections (1,220 last year)
- 596 notices of contravention (380 last year)
- 57 stop work orders (38 last year)
- 16 prosecutions initiated
- 8 prosecution convictions, resulting in $777,140 in fines
- Over 86,000 views of OHS content on saskatchewan.ca.

Review and report on WorkSafe Saskatchewan provincial injury reduction strategy.

- In 2015-16, *WorkSafe Saskatchewan* continued to monitor the health care strategy to reduce workplace injuries in facilities with the highest volume of injuries across the health care sector. Last year they worked directly with six major health care facilities under the strategy.
- The injury rate in the health care sector fell by more than 10 per cent. The decrease means a potential reduction in the premium rate for the health care sector.

Implement a new searchable Asbestos Registry.

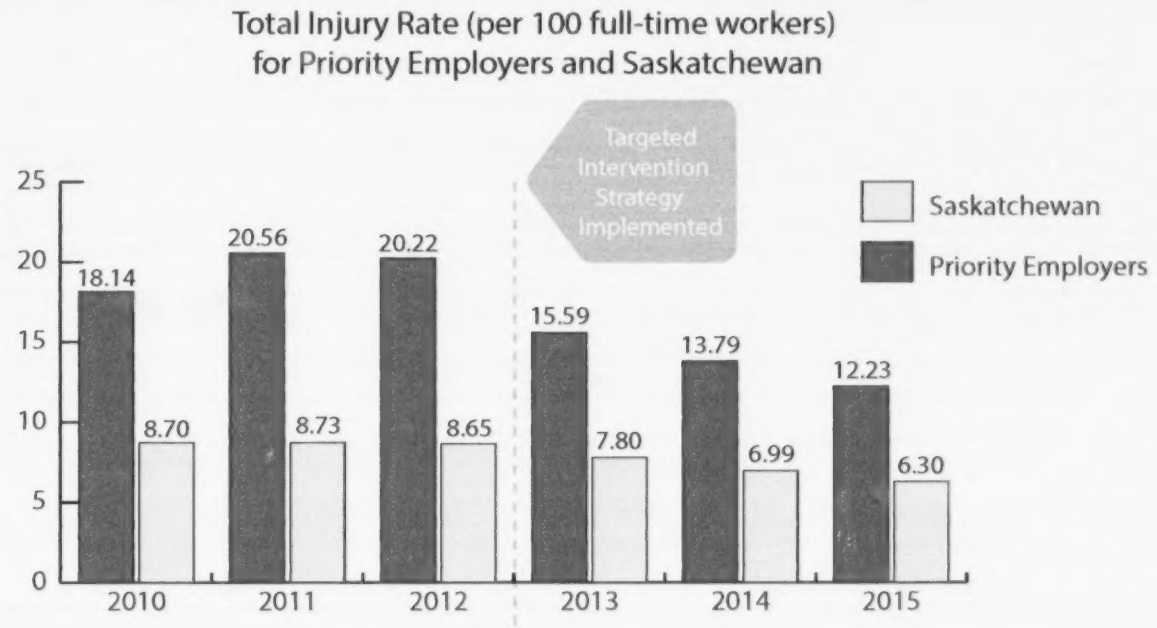
- An enhanced online Asbestos Registry was launched on March 30, 2015. The new database allows people to search a list of public buildings with asbestos-containing material.
- Since the database launched, nearly 1,500 public buildings have been registered. OHS works with companies to ensure they are posting the most complete and correct information.
- An Asbestos Advisory Committee was established to provide a forum for stakeholders and the Ministry to collaborate on strategic directions related to asbestos health and safety issues.
- Fifty-two interventions through targeted inspections have taken place to prevent asbestos exposure and improve management practices. These were based on Workers' Compensation Board claims, information from the Asbestos Registry and reports to OHS.
- OHS continues to receive and review required notification of high-risk asbestos processes. There have been 111 notifications received, resulting in 66 inspections with eight compliance undertakings, one notice of contravention and 42 Officer's reports. Last year OHS received 96 notifications.

Update and modernize occupational health and safety mines regulations and policies to reflect leading practices.

- Saskatchewan continues to undertake a review of *The Mines Regulations, 2003* as part of an ongoing initiative to modernize the legislation and regulations for which the Ministry is responsible. The regulations have not been reviewed for a number of years and need to be updated to reflect changing technology and work practises.
- In January, 118 representatives from the mining industry were invited to provide feedback through the Government's 'Public Consultations' website. They were able to download a consultation guide and provide input through online surveys.
- It is anticipated that regulatory amendments will be completed by early 2017.

Performance Measures

Total Injury Rate



Source: Workers' Compensation Board, 2016

The graph above shows the total injury rate for priority employers and the provincial rate.

Priority employers are a group of 176 employers with a total of 81,000 workers. These organizations have the highest injury rates in the province and thus the greatest need to improve.

In the last six years, the provincial rate has declined by 27.8 per cent from a high in 2011, while the rate for priority employers has declined by 40.5 per cent in the same period.

In 2013, Occupational Health and Safety started placing greater emphasis on targeted intervention strategies to improve safety outcomes for priority employers. As the new compliance model matures, it will be possible to compare year-over-year actual total injury rate improvements in order to better measure program outcomes.

Ministry Goal

Increase compliance with employment standards.

Strategy

Increase awareness of rights and responsibilities.

Key Actions and Results

Undertake an evaluation of the sectors where there is a lack of compliance with existing standards and identify reasons for the lack of compliance.

- Employment Standards (ES) is collecting and analyzing complaint information related to the sector and type of complaint received in order to identify trends in compliance.
- The Division monitors inquiries received by phone, email and in person to determine issues and trends. It also analyzes content accessed on Saskatchewan.ca to ensure information people need is available.

Develop education and enforcement tools to increase awareness of rights and responsibilities of employment standards.

- ES conducted 36 information sessions for 1,088 participants across the province.
- The Division reviewed *Rights and Responsibilities: A Guide to Employment Standards in Saskatchewan*. The guide was downloaded nearly 81,000 times. The French version of the guide was downloaded over 1,200 times.
- ES handled 679 complaints through its newly-launched online formal complaint system.

Employment Standards statistics for 2015-16:

- 2,152 formal complaints registered (highest in five years)
- 2,200 investigations completed (highest in five years)
- 117 anonymous or third-party complaints received
- 30,948 phone calls handled by the Hosted Contact Centre (along with 1,055 email and web inquiries)
- $2.816M in owed wages assessed ($2.213M of that was recovered)
- Four prosecutions initiated
- Five convictions resulting in $7,430 in penalties
- 113 days to resolve a formal complaint investigation (down from 120 days)
- Over 490,000 views of ES content on saskatchewan.ca

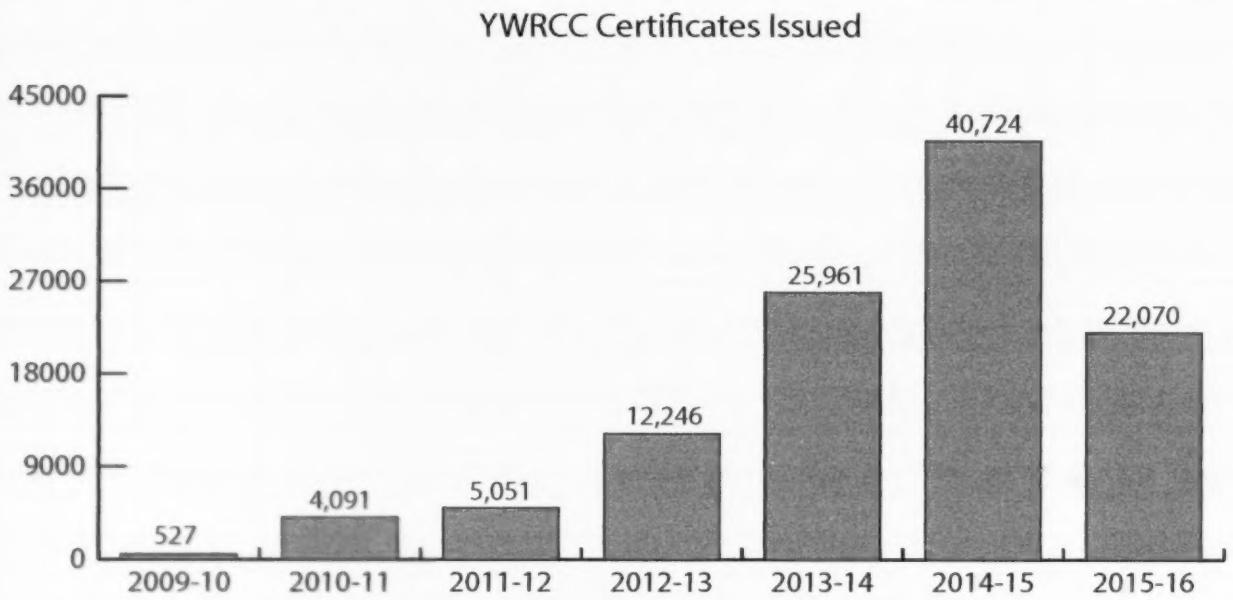
Focus on youth awareness. Revise the Young Worker Readiness Certificate Course to reflect the provisions of *The Saskatchewan Employment Act*.

- The Young Worker Readiness Certificate Course (YWRCC) provides young workers with basic information about their rights, responsibilities and safety in the workplace. The goal is to have fewer incidents of non-compliance ensuring young workers are safer in the workplace.
- The updated online YWRCC was launched in September 2015. The updated version is more interactive to engage young workers.
- Since the YWRCC was launched in 2010, over 110,000 certificates have been issued.

Performance Measures

Young Worker Readiness Certificate Course - by March 31, 2016, implement the revised Young Worker Readiness Certificate Course.

A new Young Worker Readiness Certificate Course was launched in September 2015. The new interactive course has been updated to include new rights and responsibilities in *The Saskatchewan Employment Act*.



The number of certificates issued between 2009 and September 9, 2015 is based on the number of website page views. As of September 10, 2015, the new software allows Employment Standards to track the number of course completions and certificates issued.

Government Goals

Sustaining growth and opportunities for Saskatchewan people | **Meeting the challenges of growth** | Securing a better quality of life for all Saskatchewan people | Delivering responsive and responsible government

Strategic priority from the *Saskatchewan Plan for Growth*: fair and balanced labour environment while sustaining Saskatchewan's economic growth.

Ministry Goal

Maintain Saskatchewan's productive and competitive economy.

Strategy

Promote the use of leading practices in the areas of occupational health and safety, labour relations, employment standards and workers advocacy.

Key Actions and Results

Support employers, workers, organized labour and special interest groups through the provision of education and awareness activities to ensure compliance with *The Saskatchewan Employment Act* and associated regulations.

- ⇨ OHS participated in a Ministry of Agriculture-sponsored employer workshop for the meat packing industry.
- ⇨ OHS met with representatives from the Ministry of Agriculture about farm-based employers who have been identified in the priority employer group under the targeted interventions initiative.
- ⇨ The Ministry of Agriculture continues to have representation on the Farm Health and Safety Council, whose mandate is to promote health and safety on farms. The Council provides updates on Ministry of Agriculture activities. LRWS can also disseminate health and safety information through the *AgriView* newsletter.
- ⇨ Labour Relations and Mediation (LRM) provided workplace mediation in 38 workplaces, nine interest-based facilitation sessions and conciliation assistance in 31 new disputes that included 25 disputes where the parties had reached an impasse. The Division provided 22 conflict resolution training sessions and eight interest-based negotiation training sessions to employers and employees.
- ⇨ The Office of the Workers' Advocate (OWA) provided eight educational seminars and hosted information tables at two events to inform the public of its services and provide information on how to appeal a Workers' Compensation Board decision.

Continue to work cooperatively with jurisdictional counterparts in analyzing and implementing leading practices.

- ⇨ Ministry officials continue to work cooperatively with counterparts as the Government's representative on the subcommittees of the Canadian Association of Administrators of Labour Legislation (CAALL).
- ⇨ The OWA continues to work cooperatively with jurisdictional counterparts as part of the Canadian Association of Workers' Advisors and Advocates to identify and implement leading practices in advocacy and representation.
- ⇨ Ministry officials continue to work with officials from Alberta and British Columbia to identify and harmonize occupational health and safety standards that inhibit the free flow of people, goods, services and investment across the western provinces.

Continue to evaluate programs and services to ensure leading practices are used in the effective delivery of services to clients.

- ⇨ The OWA engaged in three Lean events which resulted in the use of new processes and technology to analyze trends and improve service delivery to clients. The OWA is monitoring service standards to ensure that it provides efficient, effective and timely service to its clients.
- ⇨ OHS held two Lean value stream mapping events in 2015-16:
  - ↳ One identified process time saving of nearly 40 per cent in the priority employer program; and
  - ↳ The second, redirected resources and improved wait times in the discriminatory action investigation program.
- ⇨ Occupational Health Officers attended investigations, procedures, hygiene and ground disturbance safety training.
- ⇨ LRM has implemented a client survey to assist in the evaluation of its services. Initial results indicate clients are satisfied.

- ⇨ OHS launched a survey directed to all employers who have completed phase one of the targeted intervention program. The survey will evaluate employers' experiences working through the program to identify possible areas for improvement.

Ensure marginalized workers and their families receive adequate service.

- ⇨ As a result of additional resources and improvements in the intake system, the OWA has reduced the wait time for service from an average of 10 weeks in 2013-14 to 5.1 weeks in 2014-15 to one week to assignment of an Advocate in 2015-16. This is the lowest time to assignment the Division has ever achieved.
- ⇨ The OWA continues to meet regularly with WCB staff to discuss issues that benefit the clients of both organizations. This includes current policy, review of claims management and appeal processes. WCB and OWA continue to work toward a common goal of ensuring the workers' compensation system is fair, accountable and responsive to the needs of injured workers in Saskatchewan.
- ⇨ The OWA continues to provide training to its employees to better assist clients that are experiencing emotional and financial distress as a result of a workplace injury.
- ⇨ LRM and OHS have partnered to provide services to clients who are experiencing workplace disputes that are not considered harassment. This ensuresclients have an avenue to address concerns through workplace mediation.

Strategy

Maintain modern and competitive legislation and regulation.

Key Actions and Results

Essential Services.

- ⇨ On January 30, 2015, the Supreme Court found *The Public Service Essential Services Act* unconstitutional as it removes the right to strike without providing an alternative dispute resolution mechanism. The Court did note that it is reasonable to maintain essential public services.
- ⇨ Following the Supreme Court decision, the Government undertook extensive consultations and established a working group to develop a new essential services process which meets the requirements of the Court's decision. The working group included representatives of public sector employers, government and unions.
- ⇨ On October 15, 2015, the Government introduced Bill 183, *The Saskatchewan Employment (Essential Services) Amendment Act, 2015*, which amended Bill 128 and established a new process for essential services.
- ⇨ The Bill received Royal Assent on November 9, 2015 and was proclaimed on January 1, 2016.

Harmonize the Workplace Hazardous Materials Information System under *The Occupational Health and Safety Regulations, 1996*.

- ⇨ Amendments to Part III of *The Saskatchewan Employment Act* which facilitates the amendment of Workplace Hazardous Materials Information System under *The Occupational Health and Safety Regulations, 1996* to enable harmonization of these standards with other jurisdictions came into effect on January 1.

Support the Workers' Compensation Act Committee of Review activities related to a review of the workers' compensation system in Saskatchewan.

- ⇨ The Committee of Review was appointed on February 25, 2015 to review *The Workers' Compensation Act, 2013*, the associated regulations and administration of the Act and regulations. The Committee is appointed once every four years and is formed to include equal representation of employers and unionized employees.
- ⇨ Interested stakeholders and the public were invited to express their opinions through public hearings and written submissions.
- ⇨ It is anticipated the report will be submitted to the Minister in July 2016.

Performance Measures

Compliance - by March 31, 2016, increase voluntary compliance with the employment standards.

Voluntary compliance is calculated by determining the number of complaints investigated by Employment Standards where, once the complaint is found to be valid, employers voluntarily rectify the issue (ex., pay outstanding wages or change their employment practice) to come into compliance. In cases of non-voluntary compliance, ES is required to take formal, legal action to bring an employer into compliance.

When ES investigates a complaint and finds that wages are owed to an employee or group of employees our officers inform the employer of the amount owing along with an explanation based on our legislation. Most employers make payments

voluntarily and come into compliance once they understand the requirements.

Over the past four years, the Division has collected an average of 76.9 per cent of the wages found owing. In 2015-16 ES collected 78.6 per cent of the wages found owing. The Division has made this metric a focus and has taken steps to maximize the amount it is able to collect.

Legislative/ Regulatory Reviews

- On January 1, 2016, *The Saskatchewan Employment (Essential Services) Amendment Act, 2015* came into force. This Act:
  - Established a new essential services process is in place which addresses the concerns of the Supreme Court of Canada. The new process encourages negotiation of an essential services agreement. Where this is not possible, an independent adjudicative body will establish an agreement for the parties. The intention of the legislation is to foster on-going, productive and effective relationships between workers and employers while protecting the public.
  - Made changes to the Part III (Occupational Health and Safety) of the Act. These amendments enable regulations to establish standard requirements for hazardous materials across Canada. The harmonization of workplace hazardous materials regulations is underway. It is anticipated this initiative will be completed in 2016-17.
- The review of *The Mines Regulations, 2003* is ongoing. It is anticipated this initiative will be completed in 2016-17.
- The Workers' Compensation Act Committee of Review held public hearings in October and November 2015 in five centres throughout the province: Regina, Saskatoon, North Battleford, Prince Albert and Yorkton. Over 70 businesses, individuals and organizations contributed. The Committee will be presenting its report in 2016-17.

2015-16 Financial Overview

	(thousands of dollars)			
	2014-15 Actual	2015-16 Budget	2015-16 Actual	2015-16 Variance Over/(Under)
Revenue				
Proceeds from Other Funds	$11,694	$11,483	$12,025	$542[1]
Receipts from Federal Government	131	250	226	(24)
Privileges, Licenses and Permits	-	5	-	(5)
Sales, Services and Service Fees	54	54	55	1
Other Revenue	19	8	23	15
Total Revenue	$11,898	$11,800	$12,329	$529
Expenditure				
Central Management and Services	$ 4,358	$ 4,571	$4,196	$(375)[2]
Occupational Health and Safety	8,195	8,250	8,322	72
Employment Standards	2,779	2,809	2,840	31
Labour Relations Board	949	1,081	883	(198)[3]
Labour Relations and Mediation	487	802	806	4
Workers' Advocate	780	840	798	(42)
Expenditures/Appropriation	$17,548	$18,353	$17,845	$(508)
Capital Asset Acquisitions	(115)	-	-	
Amortization of Capital Assets	124	122	124	2
Prepaid Expenses	17		(2)	(2)
Total Revised Estimates and Expenses	$17,574	$ 18,475	$17,967	$(508)
Explanation of Major Variances:	150.7	152.1	157.2	5.1[4]
FTE Staff Complement (FTE-Full Time Equivalent)				

Financial Schedule - Notes

Explanation of variances which exceed $100,000 between Budget and Actual:

1. Higher than anticipated revenue from the Workers' Compensation Board due mainly to reimbursement of Committee of Review expenses, Radiation Lab decommissioning costs, and other operation expenses.
2. The variance was due to lower than expected building rent, postage charges, and other operating expenses.
3. Savings due to vacancy management.

Explanation of FTE variance:

4. Variance was due to the following:
    1. 1.0 FTE- approved allowance for a temporary Committee of Review position;
    2. 2.1 FTE - student hires; and
    3. 2.0 FTE - term positions in Occupational Health and Safety, and Central Services.

For More Information

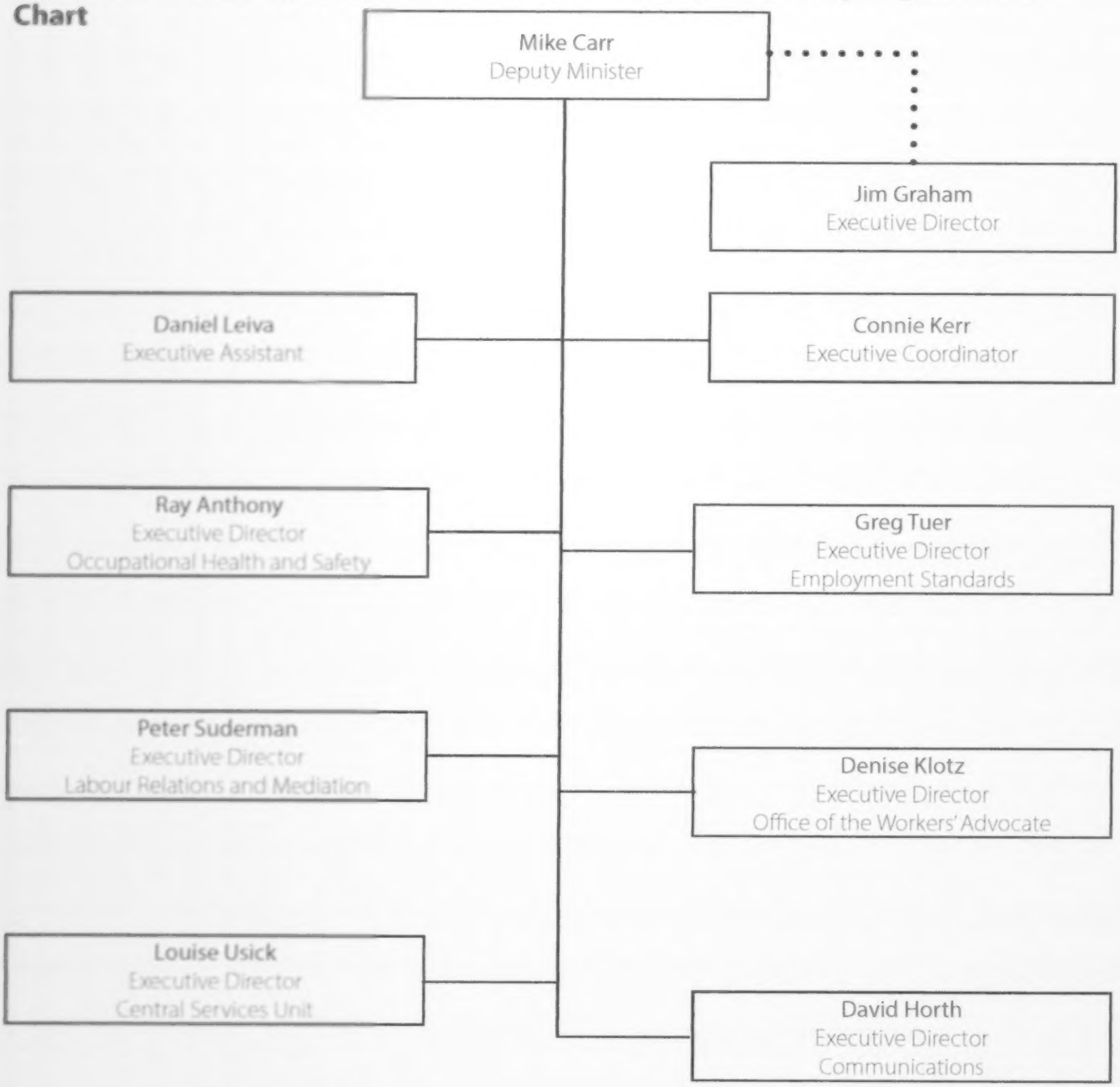
If you have any questions or comments we invite you to call (306) 787-9478 or contact:

Ministry of Labour Relations and Workplace Safety
Communications
1120 - 2010 12th Avenue
Regina, SK S4P 0M3

To obtain more information about the programs and services contained in this Annual Report or to view other annual reports from this Ministry, please visit our website at saskatchewan.ca.

Appendices

Appendix A: Ministry of Labour Relations and Workplace Safety Organization Chart



Appendix B: Legislation

The Ministry of Labour Relations and Workplace Safety is responsible for three Acts and associated regulations:

- *The Saskatchewan Employment Act*
- *The Public Service Essential Services Act*
- *The Human Resources, Labour and Employment Act*
- *The Victims of Workplace Injuries Day of Mourning Act*